

# OFFICE OF STATE EMPLOYMENT RELATIONS

## - COMPENSATION & LABOR RELATIONS BULLETIN -

**Date:** May 20, 2004

**Locator No:** OSER-0029-CLR/LR/PP

**Subject:** Length of Service Payment for Fiscal Year 2003-2004  
for Certain Represented Employees

### I. BACKGROUND

In accordance with certain collective bargaining agreement extensions, a Length of Service Payment (LOSP) will be provided to eligible permanent employees in the **classified service** who are in a position covered by one of the extensions on June 30, 2004. No employee shall be granted more than one LOSP for the 12-month period beginning July 1, 2003, and ending June 30, 2004. Eligible employees will receive their LOSP check on June 30, 2004.

### II. ELIGIBILITY

#### A. Eligible

1. All current classified permanent employees (employment types 01, 02, 03, 06) in a position covered by a 2001-2003 collective bargaining agreement extension on June 30, 2004, are eligible for a LOSP provided that they are qualified by having the required number of years of service completed prior to July 1, 2004, based on the applicable extension.

This includes current employees covered by the following 2001-2003 collective bargaining agreements with extensions currently in place: WSAA (DP code 09), WEAC (DP code 13), PERSA (DP code 08), SEA (DP code 14); WSEU/ASU (DP code 02), WSEU/BC (DP code 03), WSEU/SPS (DP code 05), WSEU/Tech (DP code 06), and WSEU/LE (DP code 36).

2. All qualifying former employees in positions assigned to a SEA (DP code 14), WEAC (DP code 13), or WSEU (DP codes 02, 03, 05, 06, 36) bargaining unit at the time they left classified service are also eligible for a prorated payment based on hours worked between July 1, 2003 and their termination date (see Section IV, Proration of Payments, below).

#### B. Ineligible

1. All non-represented employees and employees assigned to a position in WPEC (DP code 07), WSP (DP code 15), WPDA (DP code 10), UPQHC (DP code 11), Crafts (DP code 04) and WSEU-PSS (DP code 12) are ineligible.
2. Former employees of PERSA (DP code 08) and WSAA (DP code 09) bargaining units who terminated state employment prior to June 30, 2004 are ineligible.

3. Any employee who moved from an **eligible** position to an **ineligible** position prior to June 30, 2004 is ineligible. (There is no pro-ration of the payment due to this type of movement.)

### III. SCHEDULE OF PAYMENTS

- A. The schedule of payments for all eligible employees **with the exception of the eligible employees in the Professional Research, Statistics and Analysis (DP code 08)** bargaining unit is as follows:

Full Years of Service*	Annual Rate	Hourly Rate Conversion	Must Have Been Hired on or Before
5 through 9	\$ 50	\$.023946/hr.	July 1, 1999
10 through 14	\$100	\$.047892/hr.	July 1, 1994
15 through 19	\$150	\$.071839/hr.	July 1, 1989
20 through 24	\$200	\$.095785/hr.	July 1, 1984
25 or more	\$250	\$.119731/hr.	July 1, 1979

\*Full years of service is based on an employee's seniority date (adjusted continuous service date) as of June 30, 2004.

- B. The schedule of payments for all eligible employees **in the Professional Research, Statistics and Analysis (DP code 08)** bargaining unit is as follows:

Full Years of Service*	Annual Rate	Hourly Rate Conversion	Must Have Been Hired on or Before
1 through 4	\$ 50	\$.023946/hr.	July 1, 2003
5 through 14	\$100	\$.047892/hr.	July 1, 1999
15 through 24	\$150	\$.071839/hr.	July 1, 1989
25 or more	\$200	\$.095785/hr.	July 1, 1979

\*Full years of service is based on an employee's seniority date (adjusted continuous service date) as of June 30, 2004.

### IV. PRORATION OF PAYMENTS

- A. General

Payments to eligible employees will be prorated according to their number of hours in pay status in an **eligible** permanent position in the classified service from July 1, 2003, through June 30, 2004, inclusive, *excluding any overtime hours worked*.

The formula for prorating LOSP is as follows:

$$\begin{array}{r} \text{Number of Hours in Pay Status in an **Eligible** Position} \\ \times \text{ Hourly Rate Conversion} \\ = \text{ Length of Service Payment} \end{array}$$

**Example:** Assume a half-time employee (1044 hours) has six years of service (\$50 annual rate, Schedule of Payment A). The LOSP should be prorated as follows:

$$\begin{array}{r} 1044 \text{ Hours in Pay Status in an **Eligible** Position} \\ \times \text{ \$}.023946 \text{ Hourly Rate Conversion for \$50 Annual Payment} \\ = \$24.999624 \\ \\ = \text{ \$25.00 } \quad \text{Rounded to Nearest Whole Cent} \end{array}$$

#### B. Movement Between **Eligible** and **Ineligible** Positions

Employees in a position shown in Section II., B., 1. and 2., above, are not covered by any LOSP provisions and, therefore, are *ineligible* to receive an LOSP. This means that if an employee in an ineligible position terminates from that ineligible position prior to June 30, 2004, and accepts employment in an eligible position, *only* those hours in pay status in the *eligible* position count toward the June 30, 2004 LOSP.

#### **Example of Movement Between Eligible & Ineligible Positions:**

Assume an employee with 12 years of service (\$100 annual rate, Schedule of Payment A) works 520 hours of the period between July 1, 2003 and June 30, 2004, in a non-represented (*ineligible*) position followed by 1568 hours in an *eligible* position. The employee is in the eligible position on June 30, 2004. The LOSP should be prorated as follows:

$$\begin{array}{r} 1568 \text{ Hours in Pay Status worked in an Eligible Position} \\ \times \text{ \$ } .047892 \text{ Hourly Rate Conversion for \$100 Annual Payment} \\ = \$75.094656 \\ \\ = \text{ \$75.09 } \quad \text{Total LOSP Rounded to Nearest Whole Cent} \end{array}$$

**Please note:** An employee who moved from an *eligible* position to an *ineligible* position prior to June 30, 2004, is **NOT eligible for any LOSP**.

#### C. Movement Between Two Eligible Positions

Following is an example of an employee moving from an eligible position in Schedule of Payment A, above, to an eligible position in the Professional Research, Statistics and Analysis bargaining unit.

**Example of Movement Between Two Eligible Positions:**

Assume an employee has 21 years of service. Between July 1, 2003 and June 30, 2004, the employee worked 520 hours in a represented Engineering (SEA) (DP code 14) position (eligible for \$200 annual rate, Schedule of Payment A) followed by 1568 hours in a Professional Research, Statistics and Analysis (PERSA) bargaining unit (DP code 08) position (eligible for \$150 annual rate, Schedule of Payment B). The employee's position is represented by PERSA on June 30, 2004. The LOSP would be computed as follows:

$$\begin{aligned}
 & 520 \text{ hours} \times \$0.095785 \text{ (Schedule of Payment A: hourly conversion rate} \\
 & \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \text{for 20-24 full years of service)} \\
 + & \underline{1568 \text{ hours} \times \$0.071839 \text{ (Schedule of Payment B: hourly conversion rate} \\
 & \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \text{for 15-24 full years of service)} \\
 = & \ \$162.451752 \\
 = & \ \underline{\$162.45} \qquad \text{Rounded to Nearest Whole Cent}
 \end{aligned}$$

**V. AGENCY PROCESSING INSTRUCTIONS**

LOSPs for employees on the Department of Administration (DOA) Central Payroll System or the University of Wisconsin Payroll System will be processed in accordance with the directives published by each processing center.

Legislative Service Agencies that are not on DOA Central Payroll will be required to independently calculate any LOSP due their classified employees. These manual payrolls for eligible employees must be submitted for processing to DOA, State Controller's Office, by 12:00 noon on June 7, 2004.

**VI. MOVEMENT BETWEEN STATE AGENCIES AFTER WORKSHEETS ARE PRODUCED**

Coordination between state agencies is necessary when an **eligible** employee moves between agencies after the LOSP worksheets are produced. The employing agency on May 30, 2004, will be responsible for the entire LOSP for the fiscal year for **eligible** employees.

**VII. DISTRIBUTION OF CHECKS****A. DOA Central Payroll**

LOSP checks for eligible employees will be dated June 30, 2004, and will be distributed to eligible employees on that date. LOSP checks will be available on June 25, 2004.

**B. Legislative Service Agencies Not on DOA Central Payroll**

LOSP checks for eligible employees will be dated June 30, 2004, and will be distributed to eligible employees on that date.

C. University of Wisconsin Processing Center

LOSP checks for eligible employees will be dated June 30, 2004, and will be distributed to eligible employees on that date.

**VIII. REFERRAL OF QUESTIONS**

A. Questions regarding information contained in this bulletin may be directed to Paul Ostrowski by e-mail at [paul.ostrowski@oser.state.wi.us](mailto:paul.ostrowski@oser.state.wi.us) or by phone at (608) 267-0343.

- B. DOA Central Payroll  
 Dave Peterson..... (608) 266-2310
  
- UW Processing Center  
 Payroll and Financial Services.....(608) 262-3558

-----  
James A. Pankratz, Administrator  
Division of Compensation and Labor Relations

PLO